

SUBSTANCE
OF THE
S P E E C H
OF
RANDLE JACKSON, ESQ.

DELIVERED AT A
GENERAL COURT OF PROPRIETORS

OF
East India Stock,

ON TUESDAY, MAY 5, 1812.

UPON THE SUBJECT OF THE NEGOCIATION WITH HIS
MAJESTY'S MINISTERS, FOR A PROLONGATION
OF THE TERM OF THE COMPANY'S
EXCLUSIVE CHARTER.

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1812.

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THE Chairman (Sir Hugh Inglis) having informed the Court, that they had met agreeably to adjournment from the last meeting, which had been summoned by the Court of Directors, who wished their opinion and directions as to the course which they should pursue in the future negotiations on the subject of the renewal of their Charter. The Court, he said, was well aware of the unfortunate change which seemed recently to have taken place in the sentiments of his Majesty's Ministers ; the papers being all printed and now before them, himself and his colleagues invited a full, fair, and free discussion of their contents.

Mr. JACKSON then rose, and observed, that the Court was met at a period of the utmost importance to its interests and its honour, but of greater importance still to the best interests of the Country ; for those interests must still go hand in hand ; they were identified with, and inseparable from each other. Under this impression, the Company had uniformly acted, they even now sought no advantage which they could not show to be for the good of the State ; and he thought he might safely appeal to the first resolution which the Court had come to

on this business, as a proof, that however justifiable they should be in debating there their particular interests, they had considered themselves as standing in that Court in their higher character of British Citizens, and as such challenged the strictest animadversion on their conduct *. He was confident that

* At a General Court of the United Company of Merchants of England, trading to the East Indies, held April 2, 1812.

Resolved Unanimously, That this Court having perused the papers laid before them at the last General Court, desire to express the high sense which they entertain of the great ability, zeal, and fidelity, with which the Directors have maintained the interest of the East-India Company. They return them thanks for the powerful and convincing arguments by which they have shown the danger which would await the British Empire, from opening the trade of India, and the immense advantages which the nation has derived, in strength, revenue, territory, and character from the capital and the exertions of this Corporation.

That although this Court will feel it their duty, on all occasions, to bow to the determination of the Legislature, they cannot but observe with extreme concern, that no proposition is suggested of an increased or further dividend, either now or hereafter, or advantage of any kind whatever, to the Proprietors of East-India Stock; notwithstanding the negotiation for the renewal of the Charter, in 1793, begun with a proposal for an increase of dividend of two per cent., which Charter opened the trade but in a limited and partial degree; and notwithstanding that, while such great and progressive advantages have been obtained for the Public at large, the Proprietors themselves have made little more than common interest for their money. That now to be called upon to part with an undefined proportion of a trade thus established, and maintained hitherto at their sole expense, without any consideration for the same, seems to them to be wholly inequitable. Under these impressions, this Court confides to the Honourable Court of Directors the care of its interests in the farther negotiation for a new Charter, trusting

he should be able to show, that all which their Directors had so nobly contended for was warranted by the experience of ages, and by the declared sentiments of the profoundest Statesmen, not excepting his Majesty's Ministers themselves. It was true, that by a recent recession from those sentiments, they had placed the Company in a very awkward and painful situation; but he had a right, in argument, to avail himself of their previously declared opinion, and should do so, leaving the world to judge of the validity of those motives, to which they would most probably ascribe the alteration. It

to the justice of their fellow citizens, as well as to his Majesty's Government and to Parliament, that they shall receive that liberal treatment, which they regard themselves as so eminently entitled to at the hands of their Country.

And that the Directors be requested to report their proceedings, from time to time, to this Court.

That this Court cannot contemplate the essential change proposed in the constitution of the Company, by an unrestrained trade to and from India, without great concern and apprehension; not so much on account of the injury to which it will subject the Company in their commercial privileges and profits, as on account of the tendency which such a change must have to affect the system established by the Legislature, for the civil and political government of the Company's territorial possessions, whilst it is not at all likely to afford to the commercial interests of this Country the advantages expected from it.

Should, therefore, the opening of the trade to India be the ultimate determination of Parliament, this Court cannot but express its hope, that all due care will be taken to accompany the enlargements which shall be given to individuals in the Indian trade, with such regulations as shall most effectually guard against the dangers to which those enlargements might expose the existing system of Indian administration.

was not surprising that when this change was first announced to the Proprietors at the last General Court, if they should have expressed themselves with warmth, at a conduct which they not only considered as a departure from those principles which were understood to have been agreed on between his Majesty's Government and the Company, but as treating the Company on the part of the public with ingratitude and injustice. The Proprietors were now however met, finally to make up their minds as to what line of conduct they should adopt under the circumstances in which they found themselves, and with reference to the whole of the papers laid before them. He trusted, therefore, that they would pursue their deliberations with that calmness which could alone invest them with dignity; with that dispassionate and patient investigation which could alone give them weight with the public; and though a question of high political consequence, he trusted that nothing like party feeling would be discernible in its discussion; he had had the satisfaction of observing, much as that spirit might rage elsewhere, that it had not for many years disturbed that Court, not that the Members of it could be supposed insensible to political predilections they were in general persons too well educated, and of too high a station in society to be supposed free from such impressions; but they had always thought it most becoming to confine themselves within the character which the State had been pleased to assign to them, and to limit their debates to the commerce and to the government of India. He

had no hesitation, for his own part, in avowing the sense which he entertained of his Majesty's Ministers; he thought highly of the endowments of several of them, and he believed their integrity to be unquestionable; but, upon the present occasion, he should speak of them as they appeared to him through the medium of the negotiation before the Court; yet, while he treated them with freedom, he hoped he should not depart from due respect; he would make no observations but such as the printed papers warranted, and as the resolution which he meant to have the honour of offering to the Court would be grounded upon those papers, he should have occasion frequently to call their attention to the leading points which they contained; he must do this somewhat minutely, being anxious that their adversaries might not have it in their power to charge them with wandering either in their resolutions or debates from the known facts and recorded documents of their case.

Before he commented upon the papers, Mr. Jackson said he would shortly notice the numerous petitions which had lately been presented to the Houses of Parliament; many of them undoubtedly deserved great respect and attention for the able and enlightened expositions which they exhibited; while others of them teemed with every species of absurdity, mixing up the leading topics of popular complaint without order or discrimination, and that in a manner which showed to demonstration that they were the result of artful excitement, procured with the most malignant motives, and containing

doctrines but little understood by those who signed them. Some of them had indulged in the wildest theories, and instead of reasoning upon the probable extent of Indian export and import, talked of the inalienable privileges of human nature, and the imprescriptible rights of man! treating all colonial regulation, as at best but qualified usurpation, and contending that every British Subject inhales with his first breath, a right to trade to every part of the British dominions, and to traverse Bengal Bay, Botany Bay, or any other bay, without let or hindrance from the parent state! He was sorry to hear that such doctrines had found an advocate in an eloquent Member of the Upper House, a Noble Lord, who had formerly been one of the most ardent champions for social order; but who upon this occasion (such seemed to be the fate of ardent minds) was found ranged on the side of the opposite extreme! These Petitioners, he was informed, had numerous delegates in London, who formed general and sub-committees, which had not been inaptly called committees of coercion, whose functions, besides procuring petitions from every hole and corner of the United Kingdom, were to canvas and cross-canvas Members of Parliament; and when personal applications in London failed, then to procure a broad hint from some of their constituents in the country, as to which way it was expected they should vote; so that there, perhaps, never was a great public question on which Members were less free to follow their own cool and unbiassed judgments, than that which related to the prolongation

of the Company's present right of trade. He himself (Mr. Jackson said) felt less apprehension from the petitions than many other persons; they would have but their day. The actors had over-acted their parts, they had already disgusted the audience, and, he had no doubt, would soon think it wise to withdraw a great proportion of their pretensions from that sound understanding, and true discernment, which he had never yet known to fail the British Public, after it had had time and the means of duly examining both sides of a question.

✓With regard to the documents on their table, Mr. Jackson said, he was glad to observe that nothing more was said respecting the Indian Army, and he hoped the fate of the Empire was not about to be tampered with, respecting so mighty an engine of its defence; he should, therefore, regard that part of the negotiation standing as it did when he had the honour of addressing them at the Court before last, and consequently forbear any observation upon the subject. As to the trade of the Company, the main proposition of the Directors was, That the commerce of the Company, and the government of India, were absolutely inseparable: they had been born and bred together; they had grown with each other's growth, and strengthened with each other's strength; they had fed, nourished, supported, and considering the difficulties which their commerce had encountered and subdued, he might add, fought for each other; united, they formed the grandest and most stupendous edifice the world had seen; separate them, they will crumble and fall,

and with them the resplendent glory of our Country, thus shorn of its brightest beam. Such he would show to have been the opinions of most able Statesmen, and such was the influence under which the Directors evidently wrote their letter of the 16th December, 1808, which might be said to be the first material paper. That letter professedly avoided "any detailed specification" of proposal, but desired to offer "suggestions of a general nature, as the principal foundations on which a new agreement between the Public and the East India Company might be placed." It said in substance, but, as he thought, in less assuming phrase than the facts warranted, "It is now upwards of a century that the East India Company have acted under a charter distinctly defined, sanctioned, and continued by various acts of the Legislature : during that period, notwithstanding we have had difficulties to encounter, and expenses to struggle with, which must long since have overwhelmed and annihilated any other concern, or any other people, we have acquired for our Country, not for ourselves, for we have rarely derived more than common interest for our money, the most splendid territories upon the face of the globe ; we have obtained for you sixty millions of subjects, to whose happy situation, attachment to, and entire confidence in us, we refer you for the character of our Government ; they swell our armies, they venerate our laws, and choose us for their judges. These territories yield a gross revenue of sixteen millions, and Ministers have thought their capacity for yielding an annual net surplus of a million sterling a moderate calcula-

tion. We maintain an army of 150,000 men, we will only say of them that by their means all India is kept in peace towards the Company ; however, the native Princes may molest each other, the name of England is its shield, the most powerful Sovereigns of India acknowledge our superiority, each European Power has been removed in succession, and though it is not many years since France disputed with us the palm of Oriental rule, not a Frenchman remains in India. The domestic benefits which we have been enabled to confer on our Country are of no ordinary description. We and those connected with us have exported through the medium of the Company, £2 320,000 per annum, besides the privileged goods of Commanders and Officers to a considerable extent; and our imports have netted, in duties to Government without risk, trouble, or material expense, upwards of £4,000,000 per annum ! Our tonnage amounts to 101,797 tons. Our trading ships are men of war, and so armed and navigated as successfully to have coped with the ships and frigates of the enemy; their crews consist of one thousand six hundred accomplished commanders and officers, and of eight thousand seamen for whom our trade is a perpetual nursery. We besides maintain in this great City a prodigious Establishment ; and numerous, indeed, are the families who owe their reputable means of living and their comfort to our well-conducted commerce. Is it too much then to ask of his Majesty's Government, (not, we repeat, so much for our own sakes, as for the sakes of the thousands and tens of thousands

that depend upon us, and whom we are bound by every tie of honour, gratitude, and affection to protect) “that we may be allowed to continue our course, a blessing to our Country beyond all historic example, the wonder of Europe, and the envy of its malignant Master.”—Such was the prayer and such the general pretensions of the Company on opening the negotiation. He would, however, state the first proposition which that letter contained, *verbatim*, in order the better to apply the answer which followed. The Directors say, “The system by which the Legislature has continued to the Company the government of the territories acquired by it in the East, *with a regulated monopoly of the trade*, has been held by the most eminent persons conversant with that quarter and its affairs, to be the most expedient both for the foreign and domestic interests of this Country.”

Lord Melville’s reply is dated the 28th December, 1808; to this part of the Directors’ letter he says, “Concurring *in substance* with the proposition contained in the first article, I shall not enlarge upon its details. I have not yet heard or read any arguments against the continuance of the system under which the British possessions in India are governed, of sufficient weight to counter-balance the practical benefits which have been derived from it, in their increased and increasing prosperity, and the general security and happiness of their inhabitants.” He adds, “any alteration, therefore, which may be suggested in this part of the system, will probably be *only in its details*.” Thus it is plain, continued

Mr. Jackson, that Lord Melville admits the increased and increasing prosperity of India. The only alteration which he contemplates in their commerce he explicitly states to be, “That merchants and manufacturers shall trade to and from India and the other countries within the limits of the Company’s exclusive Charter, in ships or vessels hired or freighted by themselves, excepting the *the dominions of the Empire of China*.” He concludes with an assurance, “that it will be the earnest desire of his Majesty’s Government to suggest to Parliament such a *system only*, as shall be conformable to the *principles on which the regulations of 1784 and 1793 were founded*.” Now, the leading *principle* of 1784 and 1793 was well known to be the conducting of the trade of India by a “well-regulated monopoly.” The eminent Statesmen of those days held that opinion, and particularly the Noble Lord’s father. Mr. Jackson said, he used the term *monopoly* because he found it there, and by way of distinction ; but it was a solecism to call that trade a monopoly which admitted the whole Country to a partnership in its eventual gains, as provided by the Act of 1793, and other acts ; and which allowed any merchant or trader to export to, or import from, India, an extent considerably beyond what had ever been claimed. For the Act of 1793, a fact not generally known, so far opened the trade of India as to allow Private Merchants the privilege of trading thither, and consigning to, and receiving from, their own agents, to the amount of three thousand tons per annum ; this privilege, he believed, was unknown

to much the greater part of the Petitioners, who he apprehended, were still less aware, that out of this three thousand tons, not more than one thousand two hundred and eleven tons per year, on an average of eighteen years since 1793, had been claimed, and of this, on an average, four hundred and thirty tons per year were of wine and beer, though unlimited permission was now so loudly demanded : nothing appeared from the letter alluded to, to show that even indiscriminate *export* was intended, or that the ships of Private Merchants should proceed from any other port than that of *London* ; and as for any other kind of *import* than through *London*, he believed it had not then been thought of ; on the contrary, Lord Melville declared the principles of 1784 and 1793 to be his groundwork, with which such mode of import would be entirely incompatible. This declaration, Mr. Jackson said, had come from a man of no ordinary ability, one who was known not to commit himself lightly, who seldom acted without proper deliberation, and who, however unassuming in himself, perhaps yielded to few in the wisdom of his conclusions. Mr. Jackson said, that before he proceeded to show how inconsistent a late communication was with this letter of Lord Melville's, whose principles it went not to regulate, but totally to subvert, he would notice another part of his Lordship's letter, which fully warranted what himself had said at a former Court respecting an increase of dividend ; he had been much misapprehended on that subject, and particularly by an honourable friend of his (Mr.

Geo. Johnstone), who had treated his argument as if he had proposed to stipulate for an immediate increase of dividend, whereas the objection which he had taken was, that the negotiation neither stipulated for any present or prospective advantage to the Proprietors; and as it now stood, they might go on for twenty years more without the legal possibility of deriving any; he had observed on that occasion, that the former negotiation of 1793, which took but a small part of the exclusive trade away from the Company, commenced with a proposition of an increased dividend of two and a half per cent. which it grounded upon an expected surplus from India; it was evident that the same expectation existed in the present Lord Melville's mind, and that he also thought that the Proprietors should not be kept thus out of sight. Lord Melville says, in this same letter, "I think it very desirable that no measure should be adopted, in the renewal of the Charter, which would have the effect of reducing the value of the capital stock of the East India Company, and that due care should be taken to secure their proper share of advantage, in any future amelioration of their affairs." That his Lordship looked for such an amelioration was evident, from the following sentence: "The most sanguine expectations of a result even more favourable (that is, than bringing the expenditure within the income), and of a large surplus revenue above your ordinary expenses in time of peace, have recently been conveyed to you by Lord Minto." In a subsequent letter is again expressed the confident expectation of a considerable surplus: surely then it was but

reasonable to require that some provision should be made in any act which might pass, that the Proprietors, the real merchant adventurers, and owners of the whole concern, should not be the only persons forgotten in the arrangement. He had not meant absolutely to contend for a present increase of dividend, equitable as it might be; but as the Indian debt had notoriously been contracted for political purposes, for the advantage of the Country, as well as by its orders, and that even a part of the profits of their commerce had aided its liquidation, he thought it but common justice, that when a certain portion of it had been paid off, say five millions, an increase of dividend should take place out of the next surplus, and so on progressively in proportion as they should discharge that debt. As for a remission of the property-tax, he had not approved of applying for it upon the present occasion; he thought that the saddling it personally upon the Proprietors might at the first have been avoided, but he thought it now, if meant by way of satisfaction, not worth their acceptance, and beneath their entreaty; while the other mode which he had suggested was a broad and a fair proposition, which he should think it grossly unjust to resist.

He had before observed, that although Lord Melville had intimated, as a *sine qua non*, that the goods and ships of private merchants should be admitted to trade with India, no demand had yet been made, that they should be permitted to proceed indiscriminately from the *Outports*, a measure which the most experienced persons believed to be big with danger to our Indian empire; an

exception had been made even as to their trading at all with the Chinese dominions, an exception which Lord Buckinghamshire's letter had since in fact overruled, for whether such trade should be direct or indirect it was the same thing ; if admission to those seas were conceded, the Company could not go on with propriety a twelvemonth longer. Mr. Jackson said he would go regularly through the papers, which would clearly prove, that the idea of indiscriminate *import* had been but recently taken up ; how produced, or under what influence, was not for him to say.

The next material paper was the letter of the Chairman and Deputy Chairman, Messrs. Grant and Parry, dated January 13, 1809. It was quite impossible for him (Mr. Jackson said) to do justice to this paper ; it contained a most masterly review of the whole question, so much so, that no person who should read it, could well plead ignorance hereafter. Its reasoning was so clear and dispassionate, it contained so much sound sense, and true British philosophy, as well to entitle it to the praises which it had universally received, and to the impression which it was known to have made upon reflecting and impartial men. As many of the propositions contained in that paper were found among the subjects of subsequent discussion, he should not then enter particularly into its contents ; suffice it to say, that it seemed irrefragably to prove, that the only safe way of letting the private merchant into the trade of India, was through the medium of the Company's shipping, and subject to the

wholesome regulations of the Company's own commerce; and that any other mode, for the reasons therein set forth, would be extremely perilous to the interests of the Country; it showed the means and the energies which had been employed to force a greater export trade to India, and satisfactorily proved the moral impossibility of further extension, among a people whose habits of life admitted but of so limited a use of European manufacture; it showed any material increase of *import* to be equally unlikely, and exposed the fallacious grounds upon which hopes of a different kind were built, and how certain they were to end in disappointment, though perhaps not till irreparable mischief should have been done to that settled system, which had hitherto proved so wonderfully beneficial to the Country, that it would in fact be opening the trade to all the world; that smuggling would be the leading pursuit, and rise above all control; that colonization, with its long prospective train of political evils, would necessarily ensue; that the China Trade, that staff of the Company, must consequently fall; and that, in short, so completely would the indiscriminate opening of the trade subvert those principles of 1781 and 1793, which Government had professed to consider as its landmark, that "with the prospect of all these consequences commercial and political before the Court, it is impossible that they, as faithful guardians of the interests committed to their care, or as men truly solicitous for the welfare of their Country, could advise their constituents to seek a renewal of their Charter, on conditions which would

despoil it of all its solid advantages, deprive the Company of their most valuable privileges, and incapacitate them from performing for themselves, and the nation, the part hitherto assigned to them in the Indan system."

This letter seemed to have had great and deserved weight with his Majesty's Government, as Lord Melville, in his next, dated December 17, 1811, refers to it without pressing any one of those points which had been thus strongly objected to, but declares his readiness to discuss with the Directors the *details* of the system ; " if they are willing, that *the ships* as well as goods of merchants may be admitted into the trade with India, under such restrictions as may be deemed necessary." This was the condition which he had laid down from the first ; to this he had uniformly adhered, but up to that hour it had been on no occasion required by Government that such ships should be allowed to proceed *indiscriminately from the* OUTPORTS, and the Directors still hoped, that the evident peril of such a licence would prevent it from being conceded ; indeed, it was evident that his Lordship at that time contemplated only the single change of admitting the *ships* of Private Merchants, as well as their *goods*, he makes it a preliminary to the arrangement of the debt itself, saying, " If the Court of Directors are willing that these discussions, on the renewal of the Charter, shall proceed in so far as relates to the question of *the trade*, on the principle to which I have adverted, I shall be ready to receive from you

any suggestions you may have to offer on the subject of the debt," &c. &c.

The next paper of importance was a letter of March 4, 1812, from the Chairman and Deputy Chairman, Mr. Bosanquet and Sir Hugh Inglis. This letter, Mr. Jackson said, was likewise written with great ability; it indicated a thorough knowledge of the subjects on which it treats, derived from that best of all sources long experience, and the writers of it fortify their statements by a variety of accounts, showing the imports and exports of India, through the different mediums of the Company; of their commanders and officers; of private traders; of Americans; and of foreign Europeans; with their respective proportions of bullion, and of goods and stores. In this paper is exhibited what is called the *outlays* of the Company at home and abroad; and their various contributions at different periods to Government, either by way of aid to their Country, or in consideration of the Charter; which appear to have amounted, from the year 1768 to 1812, to the sum of £5,135,319; and it concludes with an account of the duties of customs and excise on goods imported and exported by the Company, which for the year ending Jan. 1811 amounted to no less than £4,213,425! This letter begun with assuming it to be the final determination of Government "that the trade with India should be extended to the *ships* as well as *goods* of Private Merchants, under such restrictions as might be deemed necessary." The Chairmen repeat the solemn conviction of

the evils which must follow such a measure ; they express the reluctance with which they shall be obliged to offer it to the Proprietors, with whom alone the power rests of consenting to such a fundamental change in the constitution of the Company." But " the Court hopes that in the extension of the trade which the Company now enjoys, his Majesty's Ministers have not had in view the hazardous experiment of dispersing over all the Ports of England and Ireland a trade now brought with so much advantage both to the Company and the Public to the single *Port of London*." It was plain therefore that up to this period the *indiscriminate import* lately called for, had not even been intimated ; so far from it, he would show from the next paper to which he should refer, that it was expressly, and in terms, declared, not to be the intention of Government to allow it. It was observable (Mr. Jackson said) that this letter noticed, and refuted, two of those subjects of declamation in which their adversaries had so much indulged ; the one was a charge that they called upon the public for sums of money to enable them to prosecute ruinous undertakings ; the other was a convenient allegation, that the Company gained nothing by its commerce, and that consequently it ought to be less tenacious of its preservation. The Chairmen answered both of these points, with great force and equal simplicity ; they show that so far from our requiring public aid for *our commerce*, *our need has arisen out of that political course which the Public had directed, through its Government, to be pursued, and to satisfy debts which*

their commands had thus created, but that the *commercial affairs* of the Company, which were all that were now left to their unrestrained management, had produced advantages sufficient to allow of a moderate dividend to the Proprietors, over and above which, a surplus has been applied, arising from this source, towards the extension of that territory, the acquisition of which has been under the immediate direction of his Majesty's Ministers." A statement then follows, which shows the skill with which the Company's affairs must have been managed, to have carried on so vast a Concern with so limited and so unequal a capital. When it is recollected that the East India Company rank higher for the punctuality of their payments and general credit than almost any other Concern whatever, public or private, this consummate skill, and its effect, can perhaps be only attributed to that system, which ages had consolidated, with high integrity for its foundation, and experience for its guide; yet such was the system which it was now sought to subvert and utterly to overthrow !

The remainder of this enlightened paper, again brought to view the train of advantages which the Country has derived from that stupendous object of its own creation, called the East India Company, and aptly enforces, among other considerations, that "the whole of a vast revenue has been brought into the Exchequer of the Public, without the Public having been called upon for any direct contribution for the preservation of the source from whence such advantages have had their rise."

Another most important observation presented itself from the perusal of this document. It contained, among other information, an account of the American Trade to India, which seemed to prove beyond the possibility of doubt or contradiction, that the *Export* Trade to India and its dependencies has already been pushed as far as it would admit of. The Americans were known to sail to the Indian seas under every possible advantage; they united great skill and enterprise, with two of the most decisive qualities for commercial success, rigid economy, and avidity for gain; they were under no restraints in seeking a market, but had access to every port or creek in India or the Eastern Isles; and though there was scarcely a place of the least note in which the Americans had not made their appearance; yet, with all these advantages and incentives, they had not been able in six years to export more than £667,654, in merchandise and manufactures including those of their own country, to £4,543,662 of bullion, which article generally averaged about seven-eighths of the amount of their Indian export. The Americans had vast depôts of British Manufactures among themselves; they were continually in this Country, where they could obtain them to any amount upon almost unlimited credit: the profit upon them, if they were really in demand, must, in the nature of things, be much greater than that upon bullion; the policy of exporting the wares of their own country must be as evident as with us, and yet such was the miserable portion of British and American goods in their

aggregate Indian export. The reason was obvious : the almost only consumers of British manufacture were the European Residents ; the market for their supply was frequently glutted, as the Company themselves annually exported upwards of one million of goods and stores, their Commanders and Officers nearly half a million more, and the Private Traders, who were let into the Indian Trade by the Act of 1793, about £400,000. Compare this considerable export with the wants of the Europeans in India, and it was plain that they were fully supplied. It was equally plain that the British manufactures have already all the orders which India can furnish, with this difference, that at present they work for long-established and settled connections, but, if their petitions be complied with, they must themselves become the merchant Adventurers, or trust their property to persons of a very different description from those who were now their customers. Persons who reflected for a moment upon the natives of India, their climate, their habits, manners, and religions, must be convinced that no attempt could force or seduce them into the consumption of European manufactures ; nature, taste, and a capacity for purchase, were all against the probability. But even this experiment the Americans had tried to the utmost, and the amount of their manufactured exports showed it to have failed. Did this then, he would ask, afford any prospect of advantage, to be for a moment balanced against the known and admitted perils of indiscriminate access to India ? and did it not completely confirm

the opinion declared by their Directors, that ruin and disappointment must fall upon the speculators in such a trade, after all the mischief which may have been occasioned to the Country and the Company by the licence allowed to them? Nay, he would show from a succeeding paper, that such was the expectation of Ministers themselves, though unfortunately they seemed about to give way to the rash and perhaps fatal experiment.

Mr. Jackson observed, that he had stated that up to this period Government had not unfolded any purpose with respect to their trade beyond that which Lord Melville had declared as *the principle*, upon the concession of which he would only commence discussions as to *details*. At this period (the 2d March 1812), the Deputation of Directors presented to his Lordship a string of twenty-five propositions, entitled *Hints*, as was done in 1793; they were all of great importance, but he should only notice such as bore immediately on the question of *Indiscriminate Private Trade*, and he would show from them that the Directors did not then understand it to be the determination of Government that the ships of Private Traders should proceed even *outwards*, otherwise than from the *Port of London*, and that *both* Government and the Directors, decidedly, emphatically, and in terms, agreed, that the China Trade should not be put in hazard, but be left upon "its present footing." Its present footing was known to be a direct, unequivocal, exclusive privilege, without the enjoyment of which, they had been fairly told by the Direc-

tors, that the Company could not continue to pay its dividends, or discharge its functions; in short, it could not go on; or, if it should go on for a year or two, or more, it must be under circumstances of progressive and increasing weakness. Whatever might be the fate of the Company, no man could say that the Directors had not spoken out; it was under, and on account of such an intimation, that the Court was now met, and the plain English of the question for their deliberation was, Whether they should begin to wind up their affairs now, with all the legal advantages which they still possessed, or a very few years hence, when comparatively destitute of strength, and much less able to cope with any disposition there might be to oppress them? Whether their exclusive trade to China should be affected immediately or consequentially, it must be equally fatal to their commercial existence.

The Deputation offered their first three Propositions in the following terms:—1. “No British or Indian ship to sail directly or circuitously from a British Port in Europe to China.”

2. “No British Subject to be permitted to reside in China, without the Company’s licence.”

3. “No goods the growth or produce of China to be *imported* into any Ports of the United Kingdom, except by the East India Company.”

It should be observed, that Lord Melville’s answers to these Propositions, are not like his first intimations, such “as have occurred to him,” but not, “matured in concert with his Majesty’s confidential servants;” these answers, on the contrary,

profess to convey “ the sentiments of his Majesty’s Government on the several points to which the propositions relate ;” and the Court was now to judge what in candour and plain dealing those sentiments amounted to.

In answer to the three first propositions, Lord Melville says, “ 1st, 2d, 3d, It is deemed advisable, and with a view to the security of the Revenue, and to other objects connected with the Trade to China, to leave it *on its present footing*, and to guard, by proper regulations, against any encroachment on that branch of the Company’s *exclusive privilege*.” —“ Its present footing” (Mr. Jackson repeated) was a secure footing, arising from the positive prohibition to any private British Subject to import a single article from China, or even to sail into those seas, or into any of the Company’s Eastern territories, without their permission.

The Deputation of Directors, by the frankness of their Propositions, had put all ambiguity out of the question, and left no room for doubtful construction. Their sixth Hint comes immediately to the point as to the *Import Trade*. “ 6th. The whole of the Indian Trade to be brought to the *Port of London*, and the goods sold at the Company’s sales, and to be, as at present, under the Company’s management.” Nothing could be more explicit than the language of this proposal ; the answer given by Lord Melville, in the name of his Majesty’s Government, was no less so. Nothing like doubt or hesitation appeared, but full and perfect admission of the validity of the suggestion and consent to its

adoption. “ 6th Answer :—The adoption of the regulation suggested in this proposition, will probably tend to the security and advantage of the Public Revenue in collecting the duties on all articles imported from the East Indies and China, as well as other countries to the eastward of the Cape of Good Hope.” Here was a direct agreement and understanding between the Directors and Government, that all Indian *Imports* should be to the *Port of London*. How, without a most extravagant violation of all rules of construction could a departure from this important and vital principle of the negotiation be now treated as an “ alteration in the *detail* of the business ?”

The Directors offer their Eighth Proposition in terms equally explicit ; and though the answer is not favourable, it is equally frank and intelligible : the Directors still adhering to the opinion which they had so seriously taken up, and so well supported, as to the deep impolicy of *indiscriminate export*, propose,

8th. “ No private ship to be permitted to sail *for India*, except the *Port of London*.”

Answer.

8th. “ There does not appear to exist sufficient reason for preventing ships from clearing *out* for the East Indies from *other Ports* of the United Kingdom, besides the *Port of London*.”

But aware of the danger to which such permission would expose the China Trade, the Directors pray, in their Twenty-fifth Proposition, that such ships may not be allowed to sail further eastward and northward

than certain points. The answer to this proposal still shows the understanding that the China Trade should not be placed in any predicament of danger. Lord Melville says, If this object “ can be obtained by exclusion from the Dominions of the Emperor of China, and a prohibition to import the *Produce of that Country* without a licence from the Company, it *will be preferable* to the mode herein suggested,” clearly admitting that if the China Trade cannot be put above hazard by any other mode, private ships should be totally excluded from the Eastern Seas.

The letter from Lord Melville, which accompanied these answers was dated the 21st March, 1812, his Lordship, as Mr. Jackson had before observed, declares them to be “ the present sentiments of his Majesty’s Government ;” he adds, “ public discussion on such an important question may possibly produce an alteration of opinion on some *of the details*, and though the subject *has been fully considered*, it may be deemed necessary, in the further progress of the measure, to propose on some points *regulations* of a different description from those which are suggested in the enclosed observations.” His Lordship, in the subsequent parts of this letter, clearly shows that he himself continues of the opinion which he had expressed in December 1808, that the principles of 1784 and 1793 ought to be the basis of the agreement; that every departure from them has been against his better judgment and that he concurs with the Directors, and with every thinking man acquainted with India, that

disappointment must follow even the concession to which he has yielded, he says, "You will do me the justice to recollect, that in all our discussions on this subject, both recently and on former occasions, the admission of *the ships* of Merchants in this Country into the trade of India, in concurrence with those of the Company, has never been urged as a measure, from which much immediate benefit would, in my opinion, be derived, either to the *Country* or to the *Individuals* who might embark in the speculation; and I certainly am not without *considerable apprehensions* that at least on the first opening of the trade, the public expectation, as to the British territories in India affording any considerable outlet for British manufactures, beyond the amount of *our present exports*, may be disappointed." Could there be a more significant admission, from a Statesman, that he was yielding to clamorous solicitation that which his judgment would withhold? He further admits himself fully to concur in the apprehensions of the Directors respecting the "unrestrained intercourse of Europeans with the territories of the Company or of the Native States in India," and allows that it will be the duty of Parliament not only to consider "whether it may be *safe* to prolong the whole or part of the Company's monopoly, but whether it may be *unsafe* to abridge or abolish it." In short, let any person connect the sentiments contained in this letter with those in his Lordship's letter of the 28th December, 1808, and it will be impossible to doubt, but that he agrees, cordially agrees, in the opinions of his eminent

Father, which Mr. Jackson said he should presently quote, namely, that the principles of 1784 and 1793 were the true, sound, political principles for the Sovereignty and Trade of India, and that in order to insure the preservation of both, the mode of the latter ought to be what has been styled “a well regulated monopoly.”

The next, and indeed the last, letter from Lord Melville, who soon after quitted the India Board, was dated 23d March, 1812, which Mr. Jackson said he referred to, merely to prove that his Lordship uniformly contended, that from the reduction of expense which had already taken place, and which still might be effected, “a confident expectation might be entertained, of a large annual surplus available towards the reduction of debt.” This was on all hands admitted to be a political debt, incurred by territorial acquisition and defence, which purposes it had been shown had been materially forwarded and aided from the profits of their commerce; surely, surely, it was not too much to ask from reason and justice, that as this debt should be progressively liquidated, some advantage should be extended to the Proprietors beyond the common interest of their money!

He had now (Mr. Jackson said) travelled through the first set of papers, and he thought they strictly warranted, the Directors as to the conclusion which at that time they believed themselves to have come to with Government, and which had been so forcibly and emphatically stated by their late Chairman, Mr. Bosanquet, namely, that their army and the

China Trade were to be left entire, unmolested, and unexposed. And that, although the *Ships* of Individuals were to be let into the Trade of the Company, there still remained hope that Government would be convinced of the wisdom of confining their *outfit* to the *Port of London*; but that at all events it was understood and agreed in the language of the Sixth Proposal, the answer to which he had read to the Court, that “The whole of the Indian Trade was to be brought to the *Port of London*, and the goods sold at the Company’s sales, and to be as at present under the Company’s management.” Such had been the communication made to the Proprietors by the Court of Directors, and such was the impression under which he himself had opened the business of the General Court on the 2d of last month.

It would now (Mr Jackson said) be his painful task, to notice the subsequent part of the negotiation as it appeared from the second set of papers which had been laid before them at the last Court, from whence it would appear that Ministers had since unfortunately taken another view of the subject.

The first document material to the question (Mr. Jackson said) was the Resolution of the Court of Directors dated the 9th of April. The annual election was then over, new Chairmen had succeeded, as well as other Directors, and a new Deputation was now appointed to confer with his Majesty’s Ministers. A minute dated the 13th April, appeared stating, that the Chairman and Deputy had had a conference with the Earl of Buckinghamshire on the preceding Tuesday, the

7th instant. It was fair to suppose, that the letter he was now about to observe upon, which was from the Deputation to his Lordship, dated the 15th April, must at least refer to the then state of the negociation. The Deputation apprise his Lordship of the recent Resolution of the General Court, and propose to themselves the honour of continuing the correspondence. They notice the opposition which had begun to shew itself to propositions, “respecting the necessity and importance of which his Majesty’s Government and the East India Company appear to have entertained similar sentiments,” and desire leave to remark “on the outlines of the negociation as far as it *has hitherto advanced* ;” they again express, in terms as manly as disinterested, their deep conviction as to the ills which must follow the opening of the trade, and their firm belief that the commercial advantages expected from that measure will not take place, while it may eventually endanger the security of the British possessions in the East. They say, “We must desire, on the part of the Court of Directors, distinctly, and in the face of the Country, to state this opinion, not as advanced without conviction to serve a cause, but as the genuine result of such knowledge and experience as the Court possess upon a subject respecting which they have better means of information, than any of those associations who are now eager to take full possession of the Eastern Trade, and upon which also it is certainly material that the Public should form just ideas.” In order to enable Government and the Public to form these

just ideas, the Deputation take a masterly review of the whole question, such a one, indeed, as he (Mr. Jackson) should have thought would remove each particle of doubt from every impartial and reflecting mind. They observe, that till lately the Private Merchants affected only to ask for such portion of the Indian Trade as the Company's Commerce did not embrace, but that now they in fact sought a transfer of the Company's own Trade to individuals in the *Out-ports*, and they impute the extravagant and increasing demands of the Petitioners to the too easy concessions of Government in the first instance. They show the absolute impossibility of separating the Government from the Commerce, a proposition for which he should prove they had the highest authority, and are confident that it cannot be the intention of Ministers to break down and despoil the latter, it being of such vital importance to the Empire of India, they trust, therefore, that the wisdom of Parliament and the justice of the Nation will resist those rash and violent innovations, evidently suggested from a deplorable ignorance of facts. They again refer to the propositions which had been made to Government, and to Lord Melville's answers; they examine them respectively, *seriatim*, and at large, particularly those which relate to the *export* and *import* of Private Traders. Upon the subject of the China Trade, they observe, that great as the question of revenue is, that is not the only point to be considered. Justice to the Company, was quite as obligatory a consideration. The China

trade had been given to them by the nation, for national purposes, and to such it had been most beneficially and faithfully applied. They show that competition in this trade would prove hurtful to the public interests. The corporate capacity of the Company, say they, was given to them in perpetuity: they must, at all events, be formidable rivals to any new adventurers. The Company already supplied tea enough for the whole United Kingdom, and they exported to China in the metals and woollens of this country to the annual amount of a million sterling, though frequently at a loss to themselves. The Chinese would raise the price of their articles as soon as competition should appear, while ours would, for the same reason, fetch less; a struggle between the Company and Individuals, continue the Deputation, must produce ruinous consequences to both. The jealousy of the Chinese Government would soon be awakened by the ingress of indefinite numbers of unconnected Englishmen. It was already either so indifferent to European intercourse, or so suspicious of it, that it allowed but one port throughout its vast Empire, to that purpose; and even from that it banished the Europeans to Macao; as soon as the ships had sailed, disorder must follow indiscriminate access to those seas, and general exclusion from Canton would as certainly succeed, and involve in its consequences four millions of revenue! a million of export! the employment of a large and most excellent fleet of ships, each of warlike equipment! the ruin of private speculators! the palsy of the functions of the Company! and the deprivation of

an article which had now become to all ranks of British Subjects a necessary of life!

Upon the dangers of the ships of private Indian traders being allowed to *proceed from* and *return to* the *Out-ports*, the Deputation are in this paper equally clear, emphatic, and convincing. They show that from the first institution of the East India Company its trade had used the *Port of London* only; and that the open, honourable, and satisfactory mode of selling all their imports to his Majesty's Subjects by public auction, is nearly coeval with the Company. They state the endless frauds and injuries to which altering this mode would open the door, considering that the Indian trade comes now in fleets, at stated seasons, and that the sales are at stated periods, which are well known to the merchants of Europe, who frequently resort to them in person, and are thence led to the purchase of many other articles, and consequently to the enlargement of British connection, or if that be not convenient, they know that through a broker, they can purchase upon precisely the same terms as if they were citizens of London, and present in the sale room.—So high was the Company's character with foreign Merchants, that purchases were made by them “on the faith merely of the descriptive marks; and goods on their arrival on the Continent frequently pass through various hands, before they are finally unpacked.” They truly add, “nothing so effectual could be devised for that security (meaning the Revenue), as to bring the imports to one place; to have them lodged under

the keys of the Government Officers ; to have them sold publicly in the presence of those Officers ; and finally to have the duties (upwards of four millions per annum), thus carefully ascertained, collected through the medium of the Company, and with hardly any charge to Government ! In short," say they, " the present system affords the most complete provision that can be imagined against defect, fraud, or expense, in realizing this branch of the revenue to the Public." How different, they argue, would be the case, if all individuals were allowed to import into all the *Out-ports* of the Kingdom, especially with small ships that could run into obscure ports in the remotest parts of England, Scotland, and Ireland?—Control would be impracticable. Legions of Custom-house and Excise Officers would be appointed, in spite of whom smuggling without end must be expected. If private ships were allowed to go to the *Eastern Islands*, they could find means to procure the article of *Tea*, and if also allowed to return to the *Out-ports*, smuggling would be by far the most gaining trade, and in fact, however covered or disguised, would be the real and principal object ! The certain consequence must be, a very great and serious abridgement of the Company's sales, and, if so, the Company's finances must sink, their great establishments be given up, their vast fleets, which at present were the means of transporting troops, stores, and warlike means to India, must be laid up, their buildings, wharfs, warehouses, and other articles of dead stock formed at a prodigious expense, and suited only to the Indian Trade which had so

long been theirs, must become useless and deserted ! and all this (supposing the best) in order to transfer the same quantity of oriental commerce to the *Out-ports*, an advantage so fatally overbalanced by the evils enumerated, and by the uncontrolled intercourse of Europeans with the East, a consequence which no regulations could prevent or avert. Surely, they say, such objections ought to be very clearly and satisfactorily answered, before so great a change is attempted, before a Concern which has subsisted for ages, and so succeeded as to be the wonder and envy of the world, is subverted and destroyed, either on the instigation, or theoretical reasoning of men, whose avowed object is the possession of that trade which they propose to take from the Company. The Deputation then remind Government, that they pointed out three years ago the effects of so great an innovation to the President of the Board of Control, and they conclude from his silence that he admitted those effects would, as they had stated, “ amount to the destruction of the Company’s Indian Trade, their Indian commercial establishments, their Indian shipping, and finally leave the China monopoly so insulated and unsupported as to bring that down also, and with it the whole fabric of the Company.”

Upon the 14th Proposition, which asked that no private ship of less than 400 tons burthen should be admitted into the Indian Trade, the necessity of which prohibition Lord Melville in his answer had not agreed to, the Deputation now argue very fully : Mr. Jackson said he had felt some surprise that

Lord Melville had not at once seen the importance of a regulation, which he (Mr. Jackson) thought must appear obvious to others. The Deputation observe, that at a very early period of the Company's history the smaller class of ships were dropped, and none employed of less than 500 tons burthen. That large ships gave a respectability to the British character in the eyes of the inhabitants of India, a distinction which they had strongly noticed in the case of the American ships. That not merely the respectability of the ship was important, but many, even political as well as commercial considerations were connected with the use of large ships. The Officers were gentlemen of education and took rank in society. They had great reputation for nautical skill, their discipline was known and admired, their conduct could be depended on, the vessels were equipped and employed as ships of war, and as such commanded respect for their country, and due obedience to it. The length of the voyage called for accommodations for a variety of officers, such as surgeons, and petty officers, such as carpenters, &c., that were not taken on board small ships, which proceeded to sea without the means of medical and other important aid. That the lives and health of seamen had been found to depend so much on the size of the ships in distant voyages, that even West Indiamen, which accomplished their passage in six weeks or less, were from 400 to 500 tons burthen: that small ships were not under the same kind of discipline, they could go into minor ports, more easily form connec-

tion with the Natives; and their intercourse, and consequent irregularities would be such as neither the vigilance or power of the Indian Governments would be able to discover or control. In short, if a mere chance *outward*, for the sake of smuggling *homeward*, was the speculation and the object of adventurers, undoubtedly small ships would best answer their purpose; but if an honourable commercial intercourse with India was the object of Government, it could only be maintained by ships of a respectable size and suitable equipment as to stores and force, under the conduct of able and responsible commanders and crews.

With regard to the 25th Proposition which asks that private ships may not have access to the Eastern Islands, respecting which Lord Melville in his answer had expressed some reluctance to comply, “provided the China Trade could be secured exclusively to the Company without such restriction.” The Deputation show, that private ships having access to the Molucca Islands, could not be important to their owners, with any view to *mere legitimate commerce*, as the Company now grew spices in their own settlements. That one or two of their ships would carry enough for the consumption of all Europe, and that even were it otherwise, Government cannot imagine that the Company would continue to defend and maintain those Islands at a great expense, if the trade in their produce were thus to be taken from them. The Deputation, however, expresses apprehensions of a still more serious nature, and in his (Mr. Jackson’s) opinion unquestionably

well founded, namely that this Eastern Archipelago, would hold out irresistible temptations, to lawless European settlement, enterprise, and adventure, before which, the Company's China Trade must sink, as the maritime resort would certainly become the very focus of dangerous and illicit intercourse with the Continent of India !

Such (Mr. Jackson said) was the substance of this most excellent paper, as far as it respected the question immediately before the Court. He had gone more fully into it, in order to enable the Proprietors the better to judge of the letter which he should next notice, *viz.* that from Lord Buckinghamshire, dated the 27th of April, which seemed to take so new, and so totally a different view of the subject, and which was in fact a departure by Ministers from their preceding admissions and agreement, it passed over those detailed and enlightened discussions which had hitherto had so much weight, and into which himself (Mr. J.) had that day so fully entered, in order to convince the Court and through them the Public, of their unquestionable validity ; these his Lordship in the name of Government seemed at once to bound over, or discard, and to tell the Company with the brevity of Power, that induced by *recent representation*, His Majesty's Ministers had concluded, that the *imports* from India, and the Eastern Isles, should not be confined to the *Port of London*. The answer of the Directors was equally brief, but it was the brevity of despair!—Then, say they, the Company cannot proceed. It was puerile to talk of pro-

tective regulations, their commercial system must give way, and with it must fall that mighty national Establishment the English East India Company.

As they were now assembled (Mr. Jackson said) to come to some resolution suited to the awful circumstances in which they were so unexpectedly placed, and as he meant to submit to them such a one as would comprise the material points of the discussion, as well as convey to the Directors those Instructions which they so honourably called upon their Constituents to give to them, and as he was anxious, not only that the Public should see that every part of their resolution was grounded on documents of high authority, but that every Proprietor who might honour it with his support, should depart satisfied that he had yielded to no passionate appeal, but to palpable inference arising from plain exposition, he should go particularly into his Lordship's letter, and the Directors' answer to it, which was the last document in the papers before them, and which brought the Court to the fearful point on which they at that moment stood.

It appeared (Mr. Jackson said) from paper No. 48, that Lord Buckinghamshire and Sir Hugh Inglis, their Chairman, held a conversation on Sunday evening, the 19th April, which this Honourable Baronet, had very properly committed to writing; this amounted to no less than a notice "that it was the determination of His Majesty's Ministers to recommend to Parliament to permit Private Ships to call out from *any Port* of the United Kingdom,

but that they should only be permitted to *import* into those places where the warehousing system existed." That is to *import* into various *Out-ports* of the United Kingdom. This was so entire a departure from the principles of the Acts of 1784 and 1793, which professedly regarded London as the Emporium, and the India House as the Mart and Depot for the Products of India ; so adverse to the answer of Lord Melville to the first, second, and third Propositions for the security of their exclusive Trade to China, and so directly repugnant and contradictory to the terms of the Director's Sixth Proposition, as well as his Lordship's consent thereto, namely, that " The whole of the Indian Trade should be brought to the *Port of London*, and the goods sold at the Company's Sales,"—that it was no wonder that the Honourable Baronet should, with a warmth of zeal for his Constituents, which claimed their gratitude, and did himself so much honour, have declared it " as his opinion, that the Court of Directors in the first instance, and the Court of Proprietors, when laid before them, would resist by every means in their power, a measure so fatal to the vital interests of the Company, and to the Public Revenue, as would be the measure of allowing the ships of individuals to *import* into any place but the *Port of London*, and that situated as he was, he should consider it his duty to resist, and recommend to the Court of Directors, and ultimately, to the Proprietors, to resist the Proposition." This declaration was approved by the Honourable Chairman's colleagues, upon his communicating it to them.; and he, Mr.

Jackson, had no doubt but that the Directors would find in the General Court on that day at once coincidence and firm support.

On the Saturday following, the Deputation of Directors, had an interview with the noble Earl, the Chancellor of the Exchequer, and Mr. Wallace. The important question of *importing* to the *Out-ports* was again discussed, when the Deputation had the misfortune to find “that the impressions which his Majesty’s Government had received respecting it, *since the date of Lord Melville’s letter, dated the 21st March*, were not in consonance with the sentiments of the Court of Directors.” The Ministers declared their intention of conveying their sentiments in writing, and Lord Buckinghamshire addressed the Court accordingly on the 27th April. That letter was of course an act of Government, and must be so treated; he mentioned this, lest it might be imagined that himself, in freely canvassing its contents, departed for a moment from the great respect he bore his Lordship, who had formerly been their faithful and highly-approved servant; but the contents of this letter appeared to him most singular, and not to be accounted for by any one preceding part of the negotiation: His Lordship says, that in consequence of the conferences which had taken place with the Directors since the 3d instant, “it is unnecessary for me to enter upon the discussion of the Hints and Observations, which have been the subject of the correspondence between the late President of the Board of Control and yourselves.” Mr. Jackson said, he

discovered no reason for dispensing with what appeared to him a most important duty, namely, that of giving detailed and specific answers to the Company, and to the Country, before Government should propose so serious a measure as opening the Trade of India. The Directors had propounded a series of Hints or Propositions, on the 2d of March; Lord Melville had answered them *seratim* by way of "Observations," on the 21st of March. The Directors had, on the 15th April, as he had shown, reviewed his Lordship's Observations upon their Hints, and amplified their reasoning upon the latter, and again so powerfully enforced them, that he believed there were few persons of understanding that should read them, who would hesitate to pronounce that, until Government shall have succeeded in refuting them, their recently avowed intention of opening the *Out-ports* of the United Kingdom to the *imports* from India, must be regarded as rash and ill-considered, or as a dangerous concession to clamour, and palpably pregnant with calamity to the Country. Indeed, the Noble Earl, seemed conscious that this alteration of sentiment required some explanation; he therefore observes, that Lord Melville, in his letter of the 21st March, said, that "the farther progress of the measure might require alteration in some of the *details* as well as *regulations* of a different description from those which were then suggested." *Details! Regulations!* Why the proposed change was a dereliction of first principles! The complete subversion of those of 1784 and 1793, for which so much veneration had

been professed by Lord Melville, and in utter contradiction to his answers to the first, second, third, and sixth Hints or Propositions—it was substance! it was vitality! the not confining the *Import Trade* from the *East Indies* to the *Port of London*, which his Lordship now formally announces as the determination of Government, was, with the Company, nothing less than a question of existence! Ministers, it is true, express their conviction “that the great interest of *policy* and of *revenue*, as well as of the *East India Company*,” requires “that the existing restraints respecting the commercial intercourse with China, should continue; and that the exclusive *Trade in Tea*, should be preserved to the Company;” but this, Mr. Jackson said, would be *literally impossible*, if indiscriminate access was allowed to the Eastern Islands, and *Imports* into the *Out-ports*. Their Directors had shown it to be impossible by a series of the most enlightened reasoning, founded upon their long experience, and a knowledge of facts. His Lordship allows the danger and mischief to the Country, and to the *East India Company*, if under cover of the *East Indian Trade*, an illicit commerce were to be successfully carried on, they acknowledge themselves to tremble, as well they might, for four millions of revenue, but conceiving, “that *regulations*, both in India and at home, might be so framed as to guard against that danger;” Government would submit the Propositions to Parliament as now suggested.—*Regulations!*—to guard against the smuggling of an article subject to ninety-six per cent. duty *ad va-*

lorem ! of comparative small bulk, easy conveyance, and aided by all the local advantages of *indiscriminate access*, and *indiscriminate import*, which were at once their encouragement and seduction ! It was too extravagant, too absurd, to talk of efficient legislative restraint, under such circumstances, it was evident that Government did not themselves expect to succeed in such regulations, but that they sunk under the clamour of the Petitioners ! they fainted in their course under the pressure of the times ! this fact was evident, from that passage in their letter which accounted for their change of sentiment, it was in consequence they said, of the representations which had been brought before his Majesty's Government, *since the publication of the correspondence already referred to* :—this publication took place about the 24th of March last, before which time, all the leading Petitions had arrived, and their best reasoning been published. Was it the Petition from the Cornish Fishing Towns which had never sent out a vessel of burthen, or those from the Provost and Council of Inland Scotch Burghs, which had never yet consumed a bale of India piece goods, or thought about the Trade till they were canvassed to petition, and help to overawe the Government ! Were these the places which had wrought this great conversion ?—They must be those or none ; for Liverpool, Glasgow, Manchester, and the other great towns had stated their cases long previous to this change of purpose. He feared (Mr. J. said) the *Representations* alluded to were not entirely commercial, they were, perhaps,

not altogether unlike a representation which was said to have been made to Sir Robert Walpole, an Applicant to whom had begun and ended his address by reminding him of the extent of his Parliamentary influence! From whatever cause this determination of Government proceeded, its consequence to the Company was most serious; in fact, if they persisted in it, the Company could not go on, as appeared from the frank declaration of the Directors; and it would be much more advisable to begin now to wind up their Concern, than be obliged to do it three or four years hence, under still more unfavourable circumstances, and with still more impoverished means.

The Directors could only answer this intimation as they did, by their letter of the 29th April; that was, by repeating their solemn conviction, as men of character and honour, of the ills which must follow the resolution of Government. They justly observe, that their objections have not been answered, nor their reasoning refuted; that they are ignorant what kind of representations those are to which Lord Buckinghamshire alludes, and express some curiosity as to the *regulations* by which Ministers believe it possible to avert those national evils to which they admit the measure in question will be necessarily exposed without these magical restraints! It was observable (Mr. Jackson said) that his Lordship did not even hint at the nature of them; surely Government must have already digested them, though they had not availed themselves of the experience or assistance of the Directors or their Officers; it

never could be imagined that Ministers would propose this commercial revolution to Parliament, till the code of counteraction, without which they admitted its baleful consequence, was completed! yet certainly hitherto, this work was not even guessed at; and if Government had determined upon its nature, they had hitherto shown impenetrable reserve; but so wholly incredulous were the Directors as to the efficacy of this intended anti-smuggling system, that they protest altogether against the measure which calls for it, as one fatal to their commercial profits, which they say, “enable the Company to discharge the political functions assigned to them in the management of the Indian Empire. Without this resource, the dividend cannot be continued, the value of the Company’s Stock will be diminished, and the Company be brought to a state of dissolution.—” They show that with their decline will be thrown out of activity and employ twenty-one millions of capital, 1400 Commanders and Officers, 8000 Seamen, 12000 Tradesmen, 3000 Labourers, and 78 of the finest Ships in the world, equipped for war as well as commerce!

Mr. Jackson said, he could not yet persuade himself that Ministers would persist in this ruinous submission to known combination, and over-bearing importunity! who was there so short sighted as not to see the evils which must follow? Government talked of confining the *Indian Imports* to such Ports as are allowed the *Warehousing System*, this could not be—they knew it could not be, the imprescriptible rights of man were in their way! If this universal

inherent right to trade with every part of the British Dominions was a fundamental principle, as Government seemed now to admit, what Port so obscure on the English, Scottish, or Irish Coast, but might justly claim the same privilege? Like the principles of Magna Charta, such a claim must override the Legislature itself. If it be an inherent right, upon what ground withhold it from our Colonies? Why should not they import the products of India into their own ports, and re-export them to South America or elsewhere, to any people with whom we are allowed to trade, without visiting at all the Ports of Britain? Upon what ground deny to Halifax or Quebec, that which you allow to New York and Philadelphia?—Have the Petitioners themselves considered these things?—Did they see no danger of the Trade being lost altogether in this attempt to change the hands that carried it on? Did the Manufacturers and Workmen of Manchester and Paisley see no danger in calling for large importations of ready-made goods into the neighbouring ports of Liverpool and Glasgow? Could they afford to suspend their own looms and deal in the muslins and calicoes of India, in preference to making those fabrics themselves? Did they see no danger of the annihilation of their trade altogether, by driving out of fashion the article which so many thousands of them were employed in imitating? Rival sellers would run it down; an inferior commodity would be imported to meet the reduced price; that which now was fashionable, on account of its price and variety, would first become common, then

vulgar, then be exploded ; the imitation would cease to be in demand, when the original ceased to be in vogue, and India and British Musliins would alike lose their sale. Could Birmingham or Sheffield reasonably expect to sell a piece of hardware more, after seeing that the Export Trade is at its utmost extent ? They might have new Customers without an increased demand ; it was for them to consider whether their present regular Customers, or the new Adventurers, were most to be depended on ?

If *Tea* really were, as Lord Buckinghamshire asserted, “ a necessary of life,” who but must be convinced, that the revival of the Smuggling Trade, would again introduce, as formerly, a bad, spurious, fraudulent, and perhaps deleterious article ? Mr. Jackson said, he really believed that the Company was now standing by their resistance, between the Public at large, and the rashness or cupidity of a part of their fellow citizens, and that many of the Petitioners themselves, when they come to know the true merits of the case, which at present was scarcely known without those walls, would be candid enough to own their error !

Did the persons interested in the *Tin Trade* see no danger in pressing their pretensions beyond the bounds of generosity or justice ? If they were wholly insensible of the advantages which they had derived from the Company since 1793, had they no fears, that when the Petitioners shall have succeeded in breaking all subsisting ties, laying open the Trade, and thus leaving the Company free to purchase Tin from the best market, that China will be

supplied from Malacca, Banca, and other places in the eastern parts of India, where Tin is produced in great abundance, and upon terms with which the Gentlemen of Cornwall cannot compete ! Can they be ignorant that the Company have, knowingly, and upon public grounds, encountered occasional loss in order to swell their exports ? And when this honourable obligation shall cease, may not the advantages which the persons interested in the Tin Trade, now enjoy, become extinct ?—Are the Manufacturers of woollen cloths sure, that even supposing the rabble of ships about to be admitted into the Eastern Seas, with their motley and ungovernable crews, should not be the means of hermetically sealing the port of Canton against the English, that they shall find Customers, who, like the Company, will consent to a loss of £50,000 a year upon this single article, in order to encourage to the utmost the Manufacturers of their Country ? Did they who thought our Island and Coasting Trade so vast a nursery for seamen, and consequently so great a national blessing, did they see no difference as to the encouragement of so desirable a nursery, between allowing vessels to sail to India Immediately from, and back to, their respective *Out Ports*, and their making a voyage to London, in order to collect or dispose of their Cargoes ?—Do consumers in general apprehend no difference between the certainty which they now possess of obtaining articles of unquestionable goodness, and at a price unquestionably fair, at the Company's public sales, and what may be their chance when cast for their sup-

ply upon the cupidity, specious pretences, and chicanery of thousands of individual Importers and Dealers?—Surely these were points that deserved great consideration before the decree should go forth, that was to open the Trade of India!

Mr. Jackson said, he took it for granted, that Government had now made up its mind, as to the *colonization* of India, and rather wished for such an event! For he could not think so disparagingly of Ministers as to suppose they would take the certain means of producing an event, of which they had not weighed the consequence. He admired their nerves, it was an event which the most courageous Statesman had hitherto shrunk from the contemplation of!

Mr. Jackson observed, he had set out with saying that the principles which the Directors had uniformly maintained during this discussion, namely, “That the Commerce and Government of India were inseparably identified, and that the former could only be efficiently conducted through the medium of a well regulated monopoly,” had the sanction of the ablest Statesmen. No subject could undergo more thorough discussion than the India Trade, and Government did, in 1783; yet Mr. Fox never suggested the opening of the Trade to the Private Merchant!—Mr. Pitt framed the Act which bore his name, immediately after, and which governed the Company till 1793 but which introduced no such measure!—Mr. Pitt took a considerable share in the Act of 1793, and although then possessed of a long experience, and of every

means of forming a proper judgment, he continued the Company as the only legal medium of trade with India! The late Lord Melville he believed yielded to no man as an Indian Statesman, he had left his sentiments on record in terms so clear and unequivocal, that he should quote them; and as no charge of venality could attach to him for praising the dead, he should say a few words respecting that eminent person. The noble Lord had been, about thirty years ago, the Chairman of a Committee of the House of Commons, for enquiring into the affairs of the Company, and the state of the Indian Government. He possessed naturally a very strong and comprehensive mind, and at that period, dauntless industry; he acquired in the course of this investigation, a great insight into Indian business, and the able reports presented to the House by that Committee were imputed to his Lordship's pen. This gave him great advantages over his antagonists in the discussion of Mr. Fox's bill, and afterwards placed him at the head of the Indian Department; in that it was known that he always read with his own eyes, and wrote with his own hand, so much so, that it was used to be said, his Secretary's place was a sinecure! Some years since the questions of Private Trade, and India-built Shipping, were much agitated between the Directors, Government, and other parties, they were questions upon which some of the best friends of the Company differed; it had been his misfortune to differ in opinion upon these subjects with a man, with whom he had agreed upon every other topic of Indian affairs, a man who,

to a mind naturally powerful, added great clearness of thought and expression, most honourable sentiments, and the sincerest attachment to the East India Company; he meant Thomas Henchman, who, as his friend and supporter, had so often addressed that Court. He had taken up strong opinions on the subject. The Marquis Wellesley, and an Honourable friend in his eye (Mr. George Johnstone), inclined to the same way of thinking. Lord Melville, then Mr. Dundas, offered his sentiments to the Directors, observing that both parties had run into such opposite extremes, as to induce him to hope that he might be able to suggest some proper medium between them. His Lordship wrote this letter which he (Mr. J.) was about to quote in the year 1800; at this time he had devoted about thirty years to the consideration of the affairs of India; he had been, as Mr. J. had before observed, Chairman of an important India Committee, of great and extensive scrutiny and enquiry, and he had then for many years, been the laborious head of the Indian Department; no man it must be admitted could write with a higher claim to confidence in his judgment; add to this, that at the time of writing he was in some degree of difference of opinion from the Directors, he thinks them in error as to their jealousy of Private Trade, but repeats in the most emphatic terms, his continued, firm, and decided conviction, that through the Company, and the Company only, should the Trade of India be conducted to whatever extent it might be capable of being carried. The sentiments of the Noble Lord

were too apposite to the present question, not to be given verbatim, and he would beg permission to read them.

April, 2, 1800.

“ In the first place, I set out with disclaiming being a party to those opinions which rest upon any general attack of the monopoly of the East India Company either as to the Government or Commerce of India. My sentiments, in that respect, remain exactly the same as they were when I moved the renewal of the Charter in 1793 ; and if any thing, I am still more confirmed in the principles, I brought forward at that time. That a direct interference by Government in the affairs of India, is necessary for their stability, and uniformity, I am more and more convinced ; but that the ostensible form of Government, with all its consequent extent and detail of patronage, must remain as it now is, I am persuaded will never be called in question by any but those, who may be disposed to sacrifice the freedom and security of our constitution, to their own personal aggrandizement, and ill-directed ambition.

I remain equally satisfied as to the propriety of continuing a monopoly of trade in the hands of the East India Company. Those who maintain the reverse, appear to me to be misled by general theories, without attending to the peculiar circumstances of the Trade they are treating of. Viewing it even as a mere commercial question, I believe this proposition to be a sound one ; and if the Trade were laid open, the supposed advantages thence arising are at

best very problemetical, and would certainly be very precarious and short-lived. *It is, however, totally to forget the question, to treat it as a mere commercial one ! The same principles which prove the necessity of the present form and mode of Indian Government, evince the necessity of the monopoly of Trade. The Government and the Trade are interwove together !* and we have only to recur to a very recent experience, to learn the immense advantages which have flowed from that connexion of Government, and Trade.

By the commercial capital of the Company at home, acting in connexion with the public revenues under their administration abroad, they have mutually aided and administered to the wants of each other ; and the result has been, the fortunate achievement of those brilliant events, upon the success of which depended the existence of the Government, the territorial wealth, and the trade of India."

Mr. Jackson said, he had now endeavoured to establish from the papers before them, that their Directors had acted with wisdom, as well as with integrity, and that the principles which they had maintained not only accorded with the judgments of those, among the Proprietors and the Public, who had addressed much of their attention to Indian affairs; but stood sanctioned by those of the ablest Statesmen that had lived. He did not pretend to say that the regulated monopoly for which he contended was not susceptible of great im-

provement ; on the contrary, he thought that qualifications of their present system might be introduced of incalculable benefit to the Company and the Country : but sure he was, that the measures now proposed would place the whole in eminent peril ! He was glad to hear that the business was not likely to be brought into Parliament this Sessions, it would afford time for cool deliberation ; he indulged a hope that Ministers, be whom they might, would have the fortitude to adhere to the principles of 1784 and 1793 ; he was convinced, that they would have with them the real voice of the Country. Nay, satisfied he was, that they had the dispassionate, and disinterested part of the Public with them already, he meant that part of the Public which had no interest in begging for petitions, and artfully inciting all descriptions of persons to demand commercial privileges upon grounds which the Petitioners evidently did not understand, and respecting which they were wilfully misled by intriguing Agents. The reasoning part of the Public, which always had, and would ultimately prevail, was sensible how wonderful a machine the East India Company was in the hands of the Country. They gazed with admiration on the perfection to which it had been brought ; they saw its innumerable ramifications of benefit abroad, and blessing at home ; they exulted in the character and the strength which it had given us in the opinion of our Enemies, and how much it had raised us above other Nations ; they did not deny but that it was capable of amendment ; but they trembled at the

experiment, lest disturbing it should make it worse, and check its present salutary operations; but, above all, they reprobated the idea at present afloat of taking it to pieces in order to put it together again in a different way, they justly doubted if there were among the sons of men a political artist to be found equal to so delicate and complicate an undertaking. The Directors, he repeated, had acted most laudably towards to the Company and the Country, in endeavouring to preserve this machine in its present useful form; he thought them entitled to all the countenance which the Proprietors could give them, and he was of opinion that assistance could not be better conveyed than by such a resolution as should convince them and the Public that theirs was not only a firm but enlightened support, a resolution which, embracing the leading points of the discussion, would satisfy their countrymen, that throughout the whole of their conduct, they had in truth united the character of Proprietors of East India Stock, with their paramount duty as Citizens of the British Empire! Being himself obliged to attend a professional duty before the Upper House he should leave such a motion for their wisdom to deal with, as the best offering he could make to them under such circumstances; he hoped they would regard the engagement he had alluded to as an apology for his absence during the discussion of his own motion. That Court and himself had now been long acquainted, he had never addressed them upon a subject of more importance, and he trusted they would give him

credit for the most earnest and disinterested wishes in behalf of the Company. He had, on all occasions used his utmost endeavours to promote its welfare, and not entirely without success, he having, as their records would show, been humbly conjunctive in the saving of many millions sterling to their funds, without, he might truly say (and he hoped he should be pardoned upon such an occasion for saying a word of himself), without seeking for any personal gratification, and without having directly or indirectly upon the hour that he was then speaking, received any, beyond that honest fame to which he had aspired, and that professional adoption on the part of the Public, which he could not help, in some degree attributing to the countenance and confidence with which he had been so uniformly honoured by the General Court.

Mr. Jackson then moved as follows, which motion was seconded by Henry Smith, Esq. and carried unanimously :

“That this Court has learnt with deep concern and surprise that his Majesty’s Ministers have been induced to change the view they first entertained of the propriety of confining to the port of London the returns of the trade to India now to be permitted to all British subjects ; that the measure of opening the Outports to vessels of all descriptions from India, comprehending in that term the Eastern Islands, appears to this Court to be fraught with consequences ruinous to the Company, and all the long train of interests connected with it ; by removing from the port of London the greater part of the Indian trade, which it has hitherto enjoyed ; by rendering useless many of the extensive establishments formed there for the merchandise and shipping of that trade, and throwing out of bread many thousands of persons who now derive constant employment from it ; by de-

ranging the practice and frustrating the end of stated public sales, which are useful and important both to the Country and the Company, who are necessarily restricted to this practice; but, above all, by affording facilities for the smuggling of teas into the ports and harbours of England, Scotland, and Ireland, to an extent unlimited, and, as this Court apprehend, uncontrollable; that the consequences of this must be the destruction of the Company's China trade, their best source of commercial profit; the failure of their dividend, the depreciation of their stock, and unless a fund is provided from some other source for the payment of the dividend, inability on their part to continue to perform the functions assigned to them in the government of British India. That if the constitution by which the Indian empire is now administered should thus be subverted, the excellent system of civil and military service formed under the Company, and maintainable only by such a body, will be broken down, the tranquillity and happiness of the vast population which that Empire contains, the interests of this Country in Asia, and its constitution at home, will be imminently endangered.

“ That the professed object for which the proposed changes are to be made, and such immense sacrifices hazarded, namely, the increase of the Commerce of this Kingdom, cannot be in any great degree attained; there being no practicability of extending materially the use of our manufactures among the Indian people; the tonnage allotted by the Company, or afforded by Indian ships in the management of individuals, for such exports, not having been fully occupied; neither does it appear practicable largely to augment the importation of profitable commodities from thence; of all which the example of the American trade to the East is a proof; British manufactures which they could easily have procured, making no part of it, nor their returns exhibiting any new articles of importance. That therefore the trade now enjoyed by the Company and Individuals will be the only certain trade to which new Adventurers can have recourse; and this will be no addition to the commerce of the Country, but only a transfer from one set of hands to another; so that old Establishments will be subverted, without substituting any thing equally good in their place, and to all appearance with great detriment to the Nation, particularly in the defalcation of a large part

of the duties now collected on Tea to the amount of four millions sterling per annum ; for all which defalcation, whether one, two, or three millions, new taxes must be laid on the people.

“ That the cause of the Company has been deeply injured by prejudice, ignorance, erroneous assumptions, and of late by extensive Combinations, and by unfair representation, canvas, and intimidation ; in all which, the merits and rights of the Company, the political interests of British India, and of this Country as connected with them, have been left out of sight, and the single object of the extension of Commerce, an object only of speculation, in opposition to past experience, is the governing principle.

“ This Court, however, confidently hope that Parliament will not decide the fate of the Company, on the representations and demands of private interests, but on just and comprehensive views of national policy ; and the Court must also believe that his Majesty’s Ministers are too enlightened, and equitable, finally to adopt any measure calculated to destroy the commercial profits of the Company, and thereby to disable them from performing their political functions. This Court therefore entirely approving, both of the firmness which their Directors have shown in maintaining the interests of the Company, and of the manner in which they have, in the papers now produced by them, defended those interests, doth recommend it to them to persevere in the negociation with his Majesty’s Ministers upon the same principles ; assured of the determination of this Court to support them to the utmost in maintaining the permanence of the Company and the national interest, which are involved in their stability.

